

Time: One Hour

Max. Marks: 50

## Instructions

- Solve any 25 questions from Q1 to Q30
- Solve any 25 questions from Q31 to Q60

1 Financial Accounting helps in

- (A)ascertaining the financial position of the concerned firm (B)establishing the efficiency of operations (C)providing data for fixing prices of the products (D)controlling costs

2 .....is the price paid for something.

- (A)Costing (B)Cost (C)Financial (D)Accountancy

3 Cost Accounting

- (A)like financial accounting is exact and precise, (B)necessarily works on the basis of estimates and, therefore, has to be satisfied with reasonable accuracy (C)deals only with future costs and ignores historical cost (D)analyses historical costs.

4 Cost .....includes costing and cost accounting.

- (A)Cost (B)Accounting (C)Accountancy (D)Financial Accounting

5 Main objectives of cost accounting is to..

- (A)Maximize Profit (B)Help in inventory valuation (C)Provide information to management for decision (D)Aid in fixation of selling price.

6 Cost Accounting has been developed out of the limitations of ..... Accounting.

- (A)Financial (B)Management (C)Costing (D)Corporate

7 Cost Accounting is useful for

- (A)only industrial concern in the private sector since only the wish to maximize profits (B)all industrial concerns, whether in the private sector or the public sector, but not for service organizations like banks or insurance companies (C)all profits seeking concerns provided they are not subject to perfect competition (D)anyone using scarce resources.

8 Cost Accounting begins where..... Accounting ends

- (A)Financial (B)Responsibility (C)Advanced (D)Cost

9 Cost accounting is a technique of.....

- (A)Limitations (B)Cost determination (C)Cost Maximization (D)Cost Concepts

10 Cost accounting helps the management in.....making.

- (A)Composite (B)Single (C)Decision (D)Personal

11 Direct Material is a:

- (A)Fixed Cost (B)Variable Cost (C)Semi variable Cost (D)None of the above

12 Which of the following is an accounting record?

- (A)Bill of Materials (B)Binl Card (C)Stores Ledged (D)All of these

13 Bin card is maintained by the.....

- (A)Storekeeper (B)Accountant (C)Manager (D)Cost Accountant

14 Milk used in dairy products is the example of.....material.

- (A)Direct (B)Indirect (C)Direct & Indirect (D)All of these

15 Indirect Material is a...

- (A)Fixed Cost (B)Semi-Fixed Cost (C)Semi-variable cost (D)Variable cost

16 When material prices are showing a rising trend, which method of pricing will show lower cost of production.

- (A)FIFO (B)LIFO (C)Weighted average (D)Replacement price

17 The storekeeper should initiate a purchase requisition when stock reaches:

- (A)Minimum Level (B)Maximum Level (C)Re-order Level (D)Average Level

18 The storekeeper should initiate a purchase requisition when the stock level reaches:

- (A)Danger Level (B)Average stock level (C)Maximum Level (D)Minimum Level.

19 In Base stock method of pricing the materials issues, the term 'Base Stock' represents the

- (A)Quantity of stock being issued (B)Stock in balance (C)Minimum Stock (D)Maximum Stock

20 Direct materials form the part of .....Product

- (A)Direct (B)Indirect (C)Fixed (D)Finished

21 Material turnover is a ratio of material consumed to

- (A)Maximum Level (B)Minimum Level (C)Re-order Level (D)Average Stock

22 Economic order quantity (EOQ) model is based on assumption of.....

- (A)Ordering (B)Re-ordering (C)Danger Level (D)Linearity

- 23 Salaries of purchase department is a part of.....costs.  
 (A)Ordering (B)Linearity (C)Maximum level (D)Minimum Level
- 24 ..... of material relates to grouping of materials.  
 (A)Coding (B)classification (C)Codification (D)None of the above
- 25 Goods received note is prepared by the..... Department.  
 (A)Receiving (B)Out going (C)Both of you (D)None of these
- 26 Material handling consists of movement of material from  
 (A)one machine to another (B)one shop to another shop (C)stores to shop (D)all of the above
- 27 Expected annual usage of a particular raw Material is 2,00,000 units and the economic order quantity is 10,000 units. The invoice cost of each unit is Rs. 500 and the cost to place an order is Rs. 80. The average inventory is-  
 (A)1,00,000 Units (B)5,000 Units (C)10,000 Units (D)7,500 Units
- 28 LIFO method of pricing material issue is more useful when the prices are on .... Trend  
 (A)Rising (B)Return (C)bill of material (D)None of these
- 29 Under.....method of simplicity and convenience the are lost when there is too much change in the prices of materials.  
 (A)FIFO (B)LIFO (C)Weighted average Price method (D)None of these
- 30 The unused materials are returned to storehouse with a material.....note.  
 (A)Return (B)Bill of material (C)Store keeping (D)None of these
- 31 Cost of material consumed= Opening Stock + ..... - Closing stock  
 (A)Sales (B)Sales returns (C)Purchase Returns (D)Purchases
- 32 Cost of Average Stock= Opening Stock + ..... / 2.  
 (A)Purchases (B)Sales (C)Closing Stock (D)None of these
- 33 When prices fluctuate widely, which of the following method will be more suitable?  
 (A)Weight-age average (B)FIFO (C)LIFO (D)simple average
- 34 Which of following is an accounting record?  
 (A)Bin Card (B)Order for Purchase (C)Store ledger (D)None of these
- 35 In case of falling prices, the use of..... method gives better results.  
 (A)FIFO (B)LIFO (C)ABC (D)EOQ
- 36 Bin-Card provides an independent check on.....  
 (A)FIFO (B)LIFO (C)Store Ledger (D)Simple average
- 37 When standard output is 10 units per hour and actual output is 12 units per hour, the efficiency is:  
 (A)80% (B)100% (C)120% (D)None of these
- 38 Standard output is 100 units per day of 8 hours and the piece rates are 20 paise per unit and 15 paise per unit under Taylor's differential piece rate system, what will be the amount wages if a workers produced 95 units in a day:  
 (A)14 (B)14.25 (C)18.50 (D)19
- 39 Wages under Rowan and Halsey Plans are exactly equal when time saved is:  
 (A)50 % of the standard time (B)80% of the standard time (C)100% of the standard time (D)None of these
- 40 Time Booking= Attendance Time - .....  
 (A)Time Allowed (B)Time Taken (C)Lost Time (D)Time Saved
- 41 .....is the recording of the attendance of a worker.  
 (A)Time Booking (B)Time Allowed (C)Time Saved (D)Time keeping
- 42 High wages do not necessarily mean..... Labour cost.  
 (A)Low (B)High (C)A & B (D)All of these
- 43 In which of the following incentive plans of wages payment, time rates are guaranteed?  
 (A)Rowan System (B)Halsey System (C)All these method (D)None of these
- 44 Given the standard time for a job is 10 hours, actual time taken is 6 hours and the time rate is Rs. 3 per hour, what is the total wages under Halsey scheme?  
 (A)Rs. 28 (B)Rs. 20 (C)Rs.24 (D)Rs. 10
- 45 Given the standard time for a job is 10 hours, actual time taken is 6 hours and the time rate is Rs. 3 per hour, what will be the amount of wages under time rate system?  
 (A)Rs. 18 (B)Rs. 20 (C)Rs.36 (D)Rs.12
- 46 Given the standard time for a job is 10 hours, actual time taken is 6 hours and the time rate is Rs. 3 per hour, what will be the bonus under Rowan Scheme?  
 (A)Rs. 5.8 (B)Rs. 7.5 (C)Rs.7.2 (D)Rs.8
- 47 ..... labour turnover involves lower motivation.  
 (A)High (B)Low (C)Labour turnover (D)None of these
- 48 When time saved exceeds 50 % of the standard time, Halsey scheme allows:  
 (A)More wages than Rowan scheme (B)Less wages than Rowan scheme (C)equal wages to Rowan scheme (D)None of these
- 49 Director's remuneration and expenses form a part of:  
 (A)Production Overhead (B)Selling Overhead (C)Administration Overhead (D)Distribution overhead
- 50 Factory overhead should be absorbed on the basis of:  
 (A)Direct labour hours (B)Direct Labour Cost (C)Machine hours (D)Any of these.
- 51 Cost of belts fasteners is an example of factory..... materials.

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- (A)Direct (B)Indirect (C)Distribution (D)None of these
- 52 Overhead expenses relating to the direction, control and administration of an undertaking is known as.....overheads.
- (A)Office (B)Selling (C)Factory (D)None of these
- 53 All such expenses which are incurred for creating and enhancing the demands for the products are
- (A)Selling expenses (B)Administrative expenses (C)Distribution expenses (D)All of the above
- 54 Labour cost per product is Rs. 2/hr and time taken by each product is 2 hr. The factory overhead is 20% of the labour costs. The factory cost for 100 products if material cost per product is Rs. 3, is.
- (A)Rs. 700 (B)Rs. 740 (C)Rs. 780 (D)Rs. 820
- 55 The overhead cost for a particular job =
- (A)man hour rate x man hours spent on that job (B)man hour rate / man hours spent on that job (C)man hour rate + man hours spent on that job (D)man hour rate – man hours spent on that job
- 56 When absorbed overheads are Rs.23,540 and actual overheads are Rs.22,400, there is:
- (A)Under absorption of Rs.1,140 (B)Under absorption of Rs.45,940 (C)Over absorption of Rs.1,140 (D)Over absorption of Rs.45940
- 57 Overhead is actually the total of:
- (A)Indirect materials (B)Indirect expenses (C)Indirect labour (D)All of the above
- 58 Normal Bad Debts is an example of ..... Overheads.
- (A)selling (B)Office (C)Factory (D)None of these
- 59 When actual overheads are Rs. 31,500 and overhead absorbed are Rs. 30,000 there is..... absorption of Rs. 1,500.
- (A)Over (B)under (C)both of you (D)None of these
- 60 Machine Hours Rate= Production Overhead.
- (A)Numbers of Machine Hours (B)Units of Quantity (C)Under Statement (D)None of these